New Production Summary Memo – NOFA 2025

Date: August 27, 2026
To: Maiko Winkler-Chin, Director, Office of Housing
From: Rosey Zhou, Director, Capital Investments
Subject: New Production Summary Benu Community Housing | Africatown Community Land Trust & Shelter Resources Inc.

Project Overview

Development Name	Benu Community Housing
Lead Organization Name	Africatown Community Land Trust & Shelter Resources Inc.
Number of Units	190 -Units
OH Requested Amount	$28,618,301
Address	1601 E Yesler Way, Seattle, 98122

Project Narrative

Benu Community Housing is a redevelopment of the former Benu nursing home site at 1601 East Yesler Way. Led by Africatown Community Land Trust, it will include housing, early learning space, and community facilities. The design provides areas for gathering, gardens, and education, building on Africatown's efforts to strengthen Black cultural and economic presence in the Central District.

Project Details

Proposed Unit Mix/Affordability by AMI Level

AMI	1 BR	2 BR	3 BR	4 BR	SRO	Studio	Total
50%	93	0	0	0	0	28	**121**
60%	0	42	26	0	0	0	**68**
Total	**93**	**42**	**26**	**0**	**0**	**28**	**189**

Sources

Source Name	Committed Amount	Proposed Amount	Total Amount
Tax Credit Equity		42,420,215.00	42,420,215.00
City of Seattle		28,618,301.00	28,618,301.00
Permanent Loan		22,189,696.97	22,189,696.97
Amazon Fund		16,600,000.00	16,600,000.00
Washington State Housing Trust Fund		5,000,000.00	5,000,000.00
Deferred Developer Fee		2,722,214.72	2,722,214.72
EDI Funds (HUD and ACLT)	1,000,000.00	500,000.00	1,500,000.00
King County		1,500,000.00	1,500,000.00
Total	**1,000,000.00**	**119,550,427.69**	**120,550,427.69**

Uses

Category	Sum of Subtotal
Acquisition Costs:	10,368,547
Bond Related Costs of Issuance (4% Tax Credit/Bond Projects Only)	863,795
Capitalized Reserves	950,710
Construction Financing	6,385,484
Construction:	88,935,915
Other Development Costs	3,158,596
Permanent Financing	420,578
Soft Costs:	9,409,803
Total	**120,493,428**

Evaluation

Priority Threshold

Leverage Threshold

- **Meets:** The minimum requirement is that projects request no more than 40% of total residential development costs from City funds.
    - City funds represent 24% of total residential costs ($28,618,301 of $119,050,428).
    - The project demonstrates strong leverage, with substantial participation from other funding partners and a moderate City share.

Population Threshold

- **Meets:** Projects must meet at least one of the following:
    - At least 20% of total units serve households at or below 30% AMI
    - At least 20% of total units are family-sized (2 bedrooms or larger)
    - The project includes Permanent Supportive Housing (PSH) units
- **AMI Criterion:** Currently, 0% of the project's units (0 of 190) are affordable at or below 30% AMI. The project provides very limited extremely-low-income housing, falling well short of the target.

- **Family-Sized Criterion:** Family units represent 36% of the total (68 of 190 units), substantially exceeding the target. The project offers strong support for larger households and family-oriented housing.
- **PSH Criterion:** Not applicable. The project does not include Permanent Supportive Housing units.
- The project meets the Population Threshold by exceeding the family-sized unit target.

Readiness Threshold

- **Meets:** The project plans to start construction by early 2027, meeting the minimum readiness threshold.

Location Priority

- **Meets:** The project is located in a Seattle neighborhood that qualifies under the NOFA's location priorities.
- The NOFA defines location priorities to include areas with limited prior OH investment, areas at risk of displacement, historically impacted communities, and neighborhoods with high access to opportunity. Based on these criteria, this project meets the location priority requirement.

Minimum & Competitive Requirements

Development Team and Experience

- **Does not meet competitive requirements of approval to participate, organizational financials, and development team composition.**
- Development responsibilities are split between Shelter Resources and Africatown Community Land Trust (ACLT).
- Shelter Resources has a strong track record of multifamily development, but ACLT's most recent project, Africatown Plaza, experienced extensive delays in lease-up.
- Shelter Resources has also committed Beacon Crossing as their number one priority in this NOFA round, raising concerns about development capacity.

Financing and Affordability

- **Does not meet minimum competitive requirements related to affordability and ability to finance.**
- ACLT does not meet OH's financing or ability-to-finance requirements; Shelter Resources would need to serve as guarantor.
- The proposed unit mix includes 28 studios and 93 one-bedroom units, all at 50% AMI.
- OH's market analysis raises concern that this high number of studio and one-bedroom units may not lease quickly enough to meet conversion requirements.

Development Program Outcomes

- **Meets the competitive criteria for development program outcomes.**
- Benu Community Housing is intended to serve BIPOC residents of the Central District at risk of displacement.
- The development team plans to use affirmative marketing and community engagement to reach households most affected.

Planning and Design

- **Meets competitive requirements of approval to participate for site plan and design.**
- Building costs align with OH construction expectations.
- The site provides strong economic and transit access.

After review and discussion, the Advisory Committee does not recommend this project for funding. Based on the team's underwriting and evaluation of the competitive criteria, the Capital Investments team does not recommend funding the project.